2011-2012 Annual Report

Building A Stronger Community
... Together
Homestead Board of Delegates

John Bianchi, President
Social Solutions Global Inc.

Tony Case
RDH Building Sciences Inc.

Amanda Licorish
Boys and Girls Clubs of King County

Tim Morley, Treasurer
Microsoft Corporation

Rachael Myers
Washington Low Income Housing Alliance

Geov Parrish
Political Consultant and Analyst

Rand Redlin
Common Ground

Sarah Sausner, Vice President
King County

Arthur Schiffer
State Farm Insurance

Ken Tanzer
AGENCY Software

Dianne Wasson, Secretary
HomeStreet Bank

Organizational affiliations are listed for identification purposes only.
July 2013

Dear members, supporters and partners,

165 families have purchased a permanently affordable home through Homestead. It is a privilege to witness such hard-earned achievement and to be a part of so many dreams realized.

Today, we are also seeing rents and housing prices skyrocket in Seattle. We hear about bidding wars with investors and speculators pushing up the market. These forces are pushing modest-income families farther and farther from where they work and their kids go to school.

The need is great and the stakes are high. We can pull together and invest in a future that is just and equitable for all, or we can grow apart, divided and weakened as a result.

At its core, Homestead is built on the strength of pulling together—of collaborations and partnerships. We create permanently affordable homes, but only in partnership with the homeowners and in collaboration with you. Our families have the chance for security, equity and legacy through homeownership, and they also have the chance to pay it forward, strengthening the next generation.

An equitable future is a vision we all have a stake in, and we have seen more collaboration to achieve it than ever before. Volunteers from Microsoft, JP Morgan Chase, Seattle University students and others have joined us for Demolition Work Parties, preparing distressed properties for renovation. Our partnership with Habitat or Humanity, now in its 5th year, ensures high-quality work and increased affordability we can pass on to our homeowners.

Working together, we create opportunities for households to achieve dreams. We stabilize our neighborhoods. We deepen the resilience of our communities. And we are growing stronger by pulling together.

We couldn’t do our work without your support.

Thank you,

[Signatures]

Executive Director
Sheldon Cooper

President of the Board
John Bianchi

OUR MISSION: Homestead Community Land Trust empowers individuals, stabilizes families and strengthens neighborhoods by creating and preserving affordable homeownership opportunities for modest-income homebuyers in the Seattle area.
2012 Highlights

**Multi-year Funding** — Homestead receives word that we were one of 10 organization’s chosen nationally to receive funding of $130K per year for five years. Funded by the Federal Social Innovation Program and the Ford Foundation, funds come with facilitated peer-learning and academically rigorous impact assessments. We look forward to sharing the results of those assessments. Pictured here are Cornerstone Partnership’s Program Coordinator Colby Daily, Homestead’s Executive Director Sheldon Cooper and Homestead’s Office Manager Jane Davies at a training in San Francisco.

**Volunteer Work Parties** — Nearly 50 people volunteered over 400 hours of time to decrease the cost of rehabilitating 3 of the 12 distressed properties that Homestead acquired as part of our Homestead Rebuilding Communities effort. Much gratitude to Bill Weis’ Seattle University 510 Class, Tim Morley and his intrepid Microsoft team and JP Morgan Chase team led by Joelle Gruber and Karen Johnson.

**Efficient and Effective Investment** — Celebrating another $100,000 investment in Homestead Rebuilding Communities from Wells Fargo’s Priority Markets Program at the new home of Alicyn, Andre and Stone Roberge (front left). Others pictured here are: Mia Vermillion — Wells Fargo, Garbo Grossman — Homestead staff, Sheldon Cooper — Homestead staff, Arthur Schiffer — Homestead board, Erika Malone — Homestead staff, Dwight Prevo — Wells Fargo, Patrick Yalung — Wells Fargo, Lindsey Sargent — Homestead staff, Clinton Attaway — Homestead staff, John Daoura — Homestead staff and Laurie Olson — City of Seattle’s Office of Housing.

**$1 Million Dollars** — Community Engagement Director Erika Malone accepts Homestead’s $1MM award from Washington State’s Attorney General Rob McKenna. These funds allow the continued success of Homestead Rebuilding Communities’ work transforming distressed properties into high-quality, affordable owner-occupied homes in neighborhoods throughout the Seattle Area.
Homes that Homestead makes affordable — and keeps affordable forever — are of a variety of types and sizes and are located in neighborhoods throughout the Seattle Area.

Without Homestead, 159 families — our community’s teachers, social-service providers and others — face the difficult choice of paying too much for housing or enduring long and expensive commutes, spending time away from family and contributing to growing traffic problems and pollution.
Financials

Abbreviated Statement of Financial Position
As of December 31, 2011 and 2012

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Receivables</td>
<td>$ 904,200</td>
<td>$ 1,133,440</td>
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<tr>
<td>Other Current Assets</td>
<td>$ 5,821</td>
<td>$ 26,016</td>
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<tr>
<td>Homestead Affordable Land and Covenants</td>
<td>$ 8,554,019</td>
<td>$ 10,683,590</td>
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<td>Inventory of Homes</td>
<td>$ -</td>
<td>$ 965,754</td>
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<tr>
<td>Other Long-term Assets</td>
<td>$ 921</td>
<td>$ 5,500</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$ 9,464,961</td>
<td>$ 12,814,300</td>
</tr>
</tbody>
</table>

| LIABILITIES AND EQUITY                      |            |            |
| Current Liabilities                         | $ 60,417   | $ 1,008,955|
| Long-term Liabilities                       | $ 5,111,749| $ 6,269,199|
| Equity                                      |            |            |
| Unrestricted                                | $ 4,052,703| $ 4,268,404|
| Temporarily Restricted                      | $ 240,092  | $ 1,267,742|
| TOTAL EQUITY                                | $ 4,292,795| $ 5,536,146|

| TOTAL LIABILITIES AND EQUITY                | $ 9,464,961| $ 12,814,300|

*This represents only a small portion of the total home purchase assistance Homestead mobilizes on behalf of its buyers.

**Homestead funds used for land acquisition are shown here for illustrative purposes. Homestead’s books show land owned to ensure ongoing affordability as an asset.
Our success is possible due to our generous funders, supporters and volunteers.

Abie Flaxman and Jessi Berkelhammer
Adam Wiener and Amy German
Addy Adwell
Alan and Susan Tang
Alex Perdomo and Jenny Lacroix
Alison Roberts
Amanda and Ben Hopper
Amanda Licorish
Amy Chan
Amy Gillespie
Amy Peloff
Anderson Real Estate Group
Andrew Tonkin
Anonymous
Anthony and Rebecca Dubin
Anthony Burnett
Antonio Li
Aric Ho
Arlyn Dean
Arthur and Luie Schiffer
B Lippitt and Liz Van Volkenburgh
Becky Andrews and Scott Olmsted
Bee Hive Day Spa
Belle Epicurean
Ben Grief
Bill and Patty Lavelle
Blake Lanz
Blake Palmer
Blue Bird Ice Cream
Brendan Forster
Brian Langhorst
Bruce and Eva Granston
Bruce McLaughlin
Byron Smith
Carol Heinz and Mike Beebe

As a payroll manager for the largest network of assisted living facilities in the nation, Melissa Harrell (pictured, right, with Garbo Grossman, Homestead’s Program Assistant) knows how to be smart with money. “I had been planning to buy a house for five years, saving little by little,” she says. But Seattle was just too expensive. “I have so much family here, but there was no way I could afford to buy in Seattle. I was seriously thinking about moving to North Carolina.”

In partnership with Homestead, she purchased a 2-bedroom townhome in September 2012 in the city where she was raised.

“It’s really great to know that I have a place of my own for as long as I want, and when I’m ready to move on, I can give it to my son or help out another family like my own.”

Additionally, we all benefit from Melissa being able to stay and be a part of our community.

Central Cinema
Central Co-op
Chaco Canyon
Chad Detwiller
Cheryl Ladd
Chris and Colette Gordon
Chris Armes
City of Seattle Office of Housing
Claudia Kienholz and Webster Walker
Coho Team of Windermere Agents
Colin Bleckner
Cornerstone Partnership
Cristie and John Stapp
Cynthia Spencer
Cynthia Wells and Tim Kerr
Dale and Carla Woodard
Dan Moore
Dan Winn
Dana Aoyama
Daniel Malone
Daniel Sherwood
Danielle Jones
Dante Taylor and Brett Walker
Darcy and Israel Juarez
Darryl Smith
Dave Hanson
David Miller
Dean KiloDavis
Debbie Scott
Deborah Bowler
Denise Rodriguez
Dennis Liu
Devin and Emily McComb
Diane Davis
Dianne Wasson and Michael Cadieux
Dick McCormick
Dilly Woodsen - In Memoriam
Dionne Licorish
Douglas Sorin and Risa Wolfe
Elaine Nye
Elise Hale-Case
Thank you for your support!

Paul and Noni Spitzenberger knew their one-bedroom apartment on Beacon Hill would soon be too small for raising their 18-month-old daughter Gwen. But even though Paul works two jobs, it never occurred to them that they could buy a home of their own.

“We were just looking for another place to rent” when they came across Homestead, Paul says. When they read that they could afford to own their first home, Noni says, “at first, we didn’t believe it.”

They bought their own three-bedroom home in Columbia City in December of 2012, “and we pay about the same per month that we did for our basement apartment,” says Paul. When asked if he would recommend Homestead to others he says, “I already have, to one of my co-workers, and he’s already applied. A lot of people are discouraged and don’t bother to trying. There are thousands out there who should know about Homestead.”

“Our neighbors have two kids Gwen’s age. There’s a park a block away for her to play in, and one day she can go to the school just down the street. We are really looking forward to watching her grow up here.”
By the time they moved into their own home in January of 2012, Sukhi Sanghera and Mary-Jayne Walker had moved each year for the past five. Mary-Jayne, a Case Manager at Wellspring Family Services in the Rainier Valley, was familiar with community land trusts but still thought a home in Seattle was way out of their price range.

“I saw the listing for the Nova townhomes and thought that with Homestead, we might just be able to do it,” says Mary-Jayne, recalling the spark of hope Homestead fostered.

“We’re actually paying $200 less per month to own than we were for our last one-bedroom rental.”

“We’ve been thrilled since moving in,” adds Sukhi, who is enrolled in a Radiation Technology program at the University of Washington. “It’s great to have a yard for our dog Lucy, to put energy into our home and garden and into creating lasting relationships with our great neighbors. Because we know that we get to be here for the long-term.”
Homestead believes . . .

. . . that when all community members have the opportunity to gain stability and create wealth safely through truly affordable homeownership, neighborhoods gain strength and resilience, and our community moves together towards social justice, economic vitality and environmental sustainability.

Towards this end, we offer programs and services in the Seattle area that steward the ongoing affordability of new affordable housing, bring existing housing into the affordable housing stock, assist people in achieving their homeownership dream and support the success of homeowners.

Homestead homeowners celebrate their vibrant and growing community at Homestead’s Annual Celebration in January 2013. Today we are nearly 400 Homeowning household members strong.